



# ***DISASTER NEWS***

*Loans for Homeowners, Renters and Businesses of All Sizes*

SBA Disaster Assistance – Field Operations Center- East – 101 Marietta Street, NW, Suite 700, Atlanta, GA 30303

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## **DON'T MISS OUT ON DISASTER ASSISTANCE; FOUR WEEKS REMAIN TO SUBMIT SBA LOAN APPLICATIONS**

**ATLANTA** – To date, the U.S. Small Business Administration has issued 674 disaster home and 199 disaster business loan applications to residents and business owners that sustained damages from the severe storms and tornadoes that occurred March 14 – 16, 2008. However, only 66 home and 11 business loan applications have been returned to SBA.

Applicants with insurance may not realize they do not need to wait for a settlement before applying to the SBA. SBA disaster loans are designed to cover underinsured and uninsured losses. If the amount of the insurance settlement is unknown, the SBA will consider making a loan for the total loss up to its loan limits, thereby eliminating the delay in starting repair work. Once the claim is settled, the insurance proceeds are to be used to reduce or repay their SBA loan.

Even those with insurance settlements may receive less than the amount of their losses due to their insurance deductibles, depreciation or non-covered items such as damage to landscaping and for debris removal costs. That is how SBA's disaster loans can help bridge the gap between insurance recovery and the actual loss.

Business owners may not know the SBA offers Economic Injury Disaster Loans (EIDL) to small businesses that experience an interruption in their normal operations due to the disaster, regardless of whether the business sustained physical damage. These four percent working capital loans are designed to help small business owners meet the ordinary and necessary financial obligations that the business could have paid had the disaster not occurred.

Disaster loans up to \$200,000 are available to homeowners to repair or replace damaged or destroyed real estate. Homeowners and renters are eligible up to \$40,000 to repair or replace damaged or destroyed personal property.

Businesses of any size and private non-profit organizations may borrow up to \$1.5 million to repair or replace damaged or destroyed real estate, machinery and equipment, inventory, and other business assets. Economic Injury Disaster Loans (EIDLs) are available to small businesses unable to pay bills or meet operating expenses because of the disaster.

Interest rates are as low as 2.750 percent for homeowners and renters, and 4.000 percent for businesses with terms up to 30 years. Loan amounts and terms are set by the SBA and are based upon each applicant's financial condition.

**-more-**

The SBA urges anyone who has not registered for assistance to call FEMA at 1-800-621-FEMA (3362). FEMA will refer you to the agency best able to meet your disaster-related needs.

“We are encouraging anyone affected by this disaster to visit the Disaster Loan Outreach Center while we still have staff there and obtain individual assistance with completing their loan applications from our representatives,” said Frank Skaggs, Director of SBA Field Operations Center East.

The Center is located at the City Hall East, 675 Ponce de Leon Avenue, NE, fifth floor, Atlanta, GA 30308. The Center will remain open Monday through Friday, 8:30 a.m. to 5 p.m., until further notice.

Anyone unable to visit the Center who has registered with FEMA may obtain an application by calling the SBA’s Customer Service Center at 1-800-659-2955 (1-800-877-8339 for the hearing-impaired) Monday through Friday from 8 a.m. to 8 p.m. EDT. Business loan applications can also be downloaded from [www.sba.gov](http://www.sba.gov). Completed applications should be returned to the Center or mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX. 76155.

The **filing deadline** to return applications for physical property damage is **May 19, 2008**. The **filing deadline** to return applications for Economic Injury Disaster Loans (EIDLs) is **December 22, 2008**.

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For more information about the SBA’s Disaster Loan Programs, visit our web site at [www.sba.gov](http://www.sba.gov)